CHAPTER III
THEORETICAL ORIENTATION

This chapter is devoted to the development of the theoretical orientation for the study. This would serve to provide a sound basis and direction to the study. It consists of certain important theoretical perspectives relating to Self Help Groups and knowledge and attitude of its members related SHGs and its activities and an attempt is made to study about SHG-Bank linkage programme. The review of literature related to the study is given in the preceding chapter helped in formulating theoretical orientation. The chapter has been sub divided into the following major heads.

3.1 Conceptual framework of the study
3.2 Identification of variables
3.3 Definition of some common terms
3.4 The conceptual model

3.1 CONCEPTUAL FRAMEWORK OF THE STUDY

Self-help groups (SHGs) are community associations with certain number of people from a homogeneous group. They gather oneself together to solve their issues, specifically what they are facing in their day to day lives. Group members put voluntary savings on regular meeting in agreed period of cycle. This savings are lend out to their members with small interest rate.

Self - help groups (SHGs) as a mode of community - based participatory development has been increasingly adopted within international development practice as a platform for broader community engagement. These voluntary, membership-based organizations of 10 to 20 women have been mobilized in developing regions to promote government programs and local development initiatives because of their perceived ability to empower participants in ways that externally implemented programs cannot. In India, SHGs have been actively utilized by various levels of government to promote rural micro financing and microenterprise initiatives with the intent of improving economic empowerment, livelihood creation, and gender empowerment.
Self Help Groups are formed to alleviate poverty and empowerment purpose. Group of 10 to 20 individuals from a homogeneous class, who are below the poverty line, are given the micro credit to create income from financial activities. They are encouraged for making voluntary thrift on a regular basis. Women Self Help Groups consists of women members who are made interested to take up the role of entrepreneur. They set up their own venture jointly as a group. Normally they engage themselves in small scale manufacturing and marketing business like bakery, pickle making, food processing, tailoring etc. Women Self Help Groups are trying to create confidence for the self-reliance among rural poor women who are mostly invisible in the social structure.

Self help groups are generally formed and include poor women for poverty reduction by providing them employment opportunity. Self Help Groups are the medium for women empowerment and helpful to make self reliant and self confident. Banks are providing loan to its members on a particular interest rate and also SHG-Bank linkage programme was started by NABARD in 1992.

The roles of situational or environmental are factors very crucial in understanding human action. Rogers (1962) therefore confirmed the decisive role of situation. The social system in which individual is a member have dominant effect on behaviour. An individual’s action is depending upon many factors. To be precise, any action or decision is influenced not only by economic factors but also those related to personal, socio economic, psychological and communicational factors.

Therefore, certain personal, socio-economic, psychological and communicational variables were selected and studied for the purpose of determine their contribution in attitude of SHG women members towards SHG & its activities.

The growth of the human beings depends on their knowledge and it may helpful in development of the individual with all aspect. A clear and certain perception of something: the act, fact or state of knowing or understanding is called knowledge. Also, knowledge are those behavior and test situations which emphasized the remembering either by recognition or recall of an idea or/and material on some phenomenon. In order to evaluate the progress of the SHGs, it is imperative to examine the knowledge of the respondents regarding Self Help Groups and its activities.
The success, progress and development or failure of any social reforms or development programme mainly depends on people’s attitude toward it. Attitude as the degree of positive or negative affect associated with some psychological object. In this study, attitude was conceptualized as respondents’ degree of favourable or unfavorable disposition towards SHG & its activities.

On the basis of the studies conducted in past, the most important individual characteristics in relation to attitude towards SHG & its activities were personal, socio-economic, psychological and communicational characteristics of the SHG women members.

3.1 IDENTIFICATION OF THE VARIABLES

3.1.1 Dependent Variables

3.1.1.1 Knowledge of the SHG members about SHG & its activities

The knowledge level of SHG women before training was low (Narmatha et al., 2011 and Shivashankar and Khedgi, 2011). Overall knowledge gain of SHG farmers in IAHP is quite better than that of non-SHG farmers (Biswas et al., 2012). SHGs respondents had awareness about the legal rights relating to women and children as compared to Non SHGs respondents (Gajbhiye, 2012). Knowledge score of SHG farmers in animal husbandry was lower than the knowledge score NSHG farmers (Biswas et al., 2013). Most of the respondents were under poor knowledge level on health and nutrition before joining the SHG and which was not remarkably changed after joining SHG (Acharya, 2014). Three-fourth of the respondents had medium knowledge of goat farming (Kavithaa et al., 2014). Maximum SHGs respondents said that their political knowledge on different government scheme has improved after joining SHGs (Nizamuddin and Alam, 2014). SHG members knowledge and adoption level of IDFPs were found to be medium, while non-members were in low knowledge and adoption category (Rahman and Gupta, 2015).

3.1.1.2 Attitude of the SHG members towards SHG & its activities

Training led to a significant change in the attitude of the participants towards the statement and SHGs formation (Meena et al., 2008). Majority of the respondents had neutral attitude towards Integrated Tribal Development Project (Patel, 2011). More than half of the SHG members held a favorable attitude towards Panchayati Raj (George et al., 2012b and Sangeetha et al., 2013). There is significant positive
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improvement in attitude of SHG members in before and after situations (Meena and Singh, 2013). Most of the respondents had expressed a generally positive attitude towards the formation and benefits of SHGs (Ezeh and Ezeh, 2016). Three-fourth of the SHG members were high level of attitude towards SHGs (Bariya, 2016).

3.2.2 Independent Variables

3.2.2.1 Personal variables

Majority of the SHG members from middle age group (Gangaiah et. al., 2006; Soni, 2009; Amutha, 2011; Naik et. al., 2012; Shelke, 2013; Bariya, 2016; Devi et. al., 2017) and less than three-fourth of the SHG members were from young age group (Devalatha et al., 2013). Majority of the respondents were educated up to primary level (Chandravadia, 2009; Bhatt, 2010 and Bariya, 2016) and majority of the respondents were illiterate (Sekhon and Dhillon, 2008 and Soni, 2009). Most of the SHG members studied below 10th standard (Geethanjali and Prabakar, 2013). Majority of the SHG members belonged to nuclear family (Devalatha et. al., 2013; Shelke et. al, 2013; pal, 2014 and Bariya, 2016) majority of the family belong middle family (Parmar, 2014). Majority of the respondents were from medium size of family (Bhardwaj and Gebrehiwot and Devalatha et. al., 2013) and less than half of the respondents were from small size of family (Bariya, 2016).

3.2.2.2 Socio-economical variables

Majority of the respondents had small and marginal size of land holding (Chandravadia, 2009 and Soni, 2009) and most of the respondents belonged to landless category (Bariya, 2016). Most of the members had land holding of medium size (Joseph and Easwaran, 2006). Majority of the respondents had low annual income (Chandravadia, 2009; Bhatt, 2010; Soni, 2009 and Bariya, 2016). Majority of the respondent had high level of the extension participation (Bevenahalli, 2005; Sowjanaya, 2007; and Devalatha et. al., 2013). Majority of the respondents had low level of the extension participation (Bharthi, 2005). Some of the SHG members involved in micro-enterprises and non-farm activities (Purushotam, 2004). Majority of the respondent had medium level of proactive attitude (Parmar, 2014). majority of the self help group and NGOs are involved in skill development program (Anjugam et. al, 2007). Most of the respondents feel that they can face the life crisis efficiently and
confidently after joining SHGs (Bhingardive, 2014). Majority of the respondents had medium level of skill development (Parmar, 2014).

3.2.2.3 Psychological variables

Most of the respondents belonged to medium achievement motivation (Sowjanya, 2007; Biradar, 2008; George *et. al*. 2012a and Verma *et. al*. 2013). Majority of the respondents had high achievement motivation (Sharma and Verma, 2008 and Sangeetha *et. al*. 2013). SHG women had medium level of market orientation (Chandarvadia, 2009 and Bariya, 2016). Majority of the respondents had medium risk orientation (Sowjanaya, 2007; Biradar, 2008; Sharma and Verma, 2008; George *et. al.*, 2012a and Bariya, 2016). Majority of the respondents belonged to medium innovativeness (Devalatha *et al.*, 2013; Verma *et. al.*, 2013; and Bariya, 2016).

3.2.2.4 Communicational variable

Majority of the SHG members had a source of information from family members, friends/relatives (Devalatha, 2005 and Sharma and Das, 2012). Majority of rural women were from medium source of information (Bariya, 2016).

3.2.3 Decision Making Ability

Decision making was maximum in matters related to the education of children (Vijayanthi, 2002). Membership enabled them to take important decisions in their families (Chitagubbi *et al.*, 2011). The economic decision-making has been enhanced with mobilization of women in organized collectives as SHGs and their participation in microenterprises (Mohanty *et al.*, 2013). Most of the respondent had a medium level decision making empowerment (Rosita, 2014). Significant difference between the women members of SF and MF household of both SHGs and Non-SHGs in relation to their decision making in farm activities (Pal, 2015). Maximum respondents take their own decision for utilizing the loan amount (Nandini and Sudha, 2015). Education, training exposure, and communication exposure had positive significant relationships with the decision making ability (Mitra *et. al.*, 2017). Women had shown empowered sign in decision making (Devi and Narasaiah, 2017).
3.2.4 Working Models of SHG Bank Linkage Programme

More than 6.1 million saving-linked SHGs (Reddy and Malik, 2011). SHG - Bank Linkage Model involves the SHGs financed directly by the banks viz., Commercial Banks (Public Sector and Private Sector), RRBs and cooperative Banks (Vipin chandran and Sandhya, 2012). Faster growth in bank loans to SHGs had led to almost a four-fold increase in the average loans per SHG (Narang, 2012). SHG-banking linkage (SBL) programme for credit has been able to reduce transaction costs. It has enabled the banks to achieve better loan recovery and mobilize low cost deposits (Srikanath and Rao, 2014). Commercial banks with their large branch network have accounted for a major share of saving linked commercial banks had more than half of the total SHGs (Vinodhini and Vaijyanthi, 2016). Number of SHGs savings linked with banks declined (Goyal et. al, 2017).

3.2.5 Role of SHGs in Poverty Reduction

It is a general programme of raising income in the rural areas (Kalirajan and singh, 2012). The self-help group (SHG) approach is a new paradigm into the field of rural development which main objectives are to increase the well-being of the poor people specifically women (Saif, 2013). Families living below the poverty line was reduced from pre SHG situation to post SHG situation (Maurya, 2014). Micro finance is a very good platform for ensuring this by optimizing use of the financial resources and generate the employment potentiality (Parvathamma, 2014). Micro finance not only provides economic benefit it is also provide social benefit like poverty reduction and women empowerment (Vasantha, 2015). SHG members’ income increases after joining the group (Suri and Kaur, 2016).

3.2.6 Income Generating Activities

Women actively participated in combine activities like dairy cooperative and milk products (Chandarvadia, 2009 and Kiran and Kanani, 2010). Peri urban SHG members took up activities like dairy, poultry, goat rearing and small scale business, selling ice cream and roasted chick pea etc. (Bhuvaneswari et al., 2011). Poultry was the main choice of the respondents (Das, 2012b). Most of the respondents stated service, as their income generating activity (Shanthi, 2012). Agarbatti and Candles were an income generating activities (Nagnur et al., 2014).
3.2.7 Association between Selected Characteristics of Women and Their Attitude

There was negative and significant association between empowerment of self help group women and their age (Chandarvadia, 2009 and Bhatt, 2010). Age of the respondents had negative and significant influence on GDE of the SHGs (Parmar, 2014). Education level of the respondents were positively and significant correlation with empowerment (Kashid et. al, 2009). GDE of the respondents had positive and significant correlation with their level of education (Bhatt, 2010 and Parmar, 2014). There was positive and significant relation observed between extent of empowerment of self help group women and their type of family (Chandarvadia, 2009 and Shanthi, 2012). There was positive and significant relationship between family type and GDE of SHGs (Parmar, 2014). Family size had no relationship with the empowerment level of women (Bharathamma et al., 2006 and Bariya, 2016).

Size of land holding had positive and significant correlated with empowerment (Singh et. al, 2007 and Kashid et. al, 2009). There was no association between extent of empowerment of self help group women and their size of land holding (Chandarvadia, 2009). The annual income of the women had positive and highly significantly association with the GDE (Bhatt, 2010 and Parmar, 2014). The association between the monthly income of the respondents and their level of satisfaction towards the empowerment of the self help groups is not significant (Shanthi, 2012). There was positive and highly significant correlation between extension participation and empowerment (Bharthi, 2005 and Bariya, 2016). Proactive attitude is strongly associated with group dynamic effectiveness of the women groups (Schmits and Schwarzer, 1999; Narayanan, 2011 and Parmar, 2014). Positive and significant relationship between skill development and GDE of the SHGs (Narayanan, 2011 and Parmar, 2014).

Association between extent of empowerment of self help group women and their market orientation (Chandarvadia, 2009) empowerment of SHG and Non SHG members were positive and highly significant correlation with their level of market orientation (Bariya, 2016). No significant relationship with other independent variables such achievement motivation with any of the dimensions of capital improvement in beneficiaries (Biradar, 2008). Positive and significant relationship between achievement motivation of the women and their level of empowerment.
(Bariya, 2016). Risk orientation of women was positively and highly significant with their level of empowerment (Sharma and Verma, 2008 and Bariya, 2016). Positive and significant relationship between innovativeness of the SHG members and their socio-psychological impact (Bariya, 2016).

Positive correlation between source of information and human capital (Biradar, 2008) there was positive and highly significant relationship between source of information and their level of empowerment (Bariya, 2016).

3.2.8 CONSTRAINTS

Less than half of the SHG members considered lack of formal education as their personal problem (Bharthi and Badiger, 2008). Make frequent contacts to help in establishment of subsidiary enterprise (Sivashankar and Khedgi, 2011). Delay in sanctioning the loan (Das, 2012a). Family and job responsibilities can cause difficulties for active participation in group activities (Minimol and Makesh, 2012). lack of training for conducting various activities (Parmar, 2014).

3.2.9 SUGGESTIONS

Most valuable suggestions expressed by of self help group women were maintain the register regularly (Chndarvadia, 2009). Majority of the respondents opined that there was immediate need to access to latest information for effective functioning of SHG (Kaur and Kalra, 2015). Programmes to be arranged at the panchayat level (Bariya, 2016).

3.3 DEFINITION OF SOME COMMON TERMS

3.3.1 Self Help Group

SHG is a homogenous group of rural poor voluntarily formed to save whatever amount they can conveniently save out of their earning and mutually agree to contribute to a common fund of the group, to be lent to the member for meeting their productive and emergent needs.

3.3.2 Empowerment

The term empowerment is multi-dimensional in nature. It includes social, psychological, political and economic empowerment. Empowerment is relative in nature. It is a process which makes the person powerful in relation to some other people, society or situations. It is the process of making the person powerful to take
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decisions about his or her life without getting influenced by anybody or anything. It is the process of making people powerful enough so that they have control over their own life.

3.3.3 Age

It refers to the years of SHG members on the date of interview rounded off to the nearest years.

3.3.4 Education

It is the ability of respondents to read and write or formal education received up to a certain standard. It is the level of literacy of the respondent.

3.3.5 Type of Family

Family type refers to the classification of family as nuclear and joint.

3.3.6 Size of Family

Family size refers to the total number of members residing together in the family.

3.3.7 Size of Land Holding

It refers to total land possessed by an individual respondent in terms of hectare at the time of investigation.

3.3.8 Annual Income

It refers to the total gross income of family members in a year.

3.3.9 Sources of Information

It refers to the sources through which the beneficiaries sought information about their respective enterprise, their day to day problems and also about the development programmes.

3.3.10 Extension Participation

Extension participation referred to the extent of participation of women in different extension activities like meeting, field days, exhibition, demonstration, krishimela, training programme and programme of SHGs.
3.3.11 Achievement Motivation

It is defined as the degree to excel regardless of social rewards. It is desire to do well not so much for the sake of social recognition or prestige, but to attain an inner feeling of personal accomplishment.

3.3.12 Market Orientation

It refers to the judgment taken by SHG members to purchase the raw material and sell their products for better price based on analyzing various prevailing infrastructure and market intelligentsia.

3.3.13 Risk Orientation

It is the degree to which SHG women are oriented towards encountering risks and uncertainty in adopting new ideas in their group.

3.3.14 Innovativeness

It refers to the degree to which an individual is relatively earlier to adopt new ideas than other members of a society.

3.3.15 Extension Contact

It refers to the contact made by the SHG members with their frequency and interval of the contact with extension agency or extension worker, locally or outside the village.

3.3.16 Social Status

Improvement in SHG member's standing or importance in relation to other people within a society.

3.3.17 Self Confidence

Self confidence is an attitude which allows individuals to have positive yet realistic views of themselves and their situations. Self confident people trust their own abilities, have a general sense of control in their lives and believe that within reason they will be able to do what they wish, plan, and expect.
3.3.18 Self Esteem

Self-esteem essentially refers to how an individual feels about himself or herself. If the person feels that he or she is a worthwhile individual and feels good about his or her existence, then high self-esteem is experienced.

3.3.19 Decision making ability

It is the ability of making the decision based on some criteria from two or more possible alternatives.

3.4 CONCEPTUAL MODEL OF THE STUDY

The review of literature has given an insight which leads to understand that the attitude towards SHG & its activities are influenced by many variables. Attitude of the SHG women members towards SHG & its activities were thus supposed to be a function of a number of independent variables, such as personal, socio-economic, psychological and communication. The relationship between independent variables and dependent variables conceptualized in to model is given in Fig. 1.
Theoretical orientation

Attitude of Women Members towards SHG & its Activities

Factors associated with

Independent Variables
- Age
- Education
- Type of Family
- Size of family

Size of land holding
- Annual income
- Extension participation
- Proactive attitude
- Skill development

Market orientation
- Achievement motivation
- Risk orientation
- Innovativeness
- Source of information

Dependent Variable: Attitude

Fig. 1: Tentative conceptual model showing factors associated with Attitude of Women Members towards SHG & its activities